

## Message Text

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42

ACTION AID-59

INFO OCT-01 NEA-10 ISO-00 SS-20 EB-11 IGA-02 SSO-00 INR-10

INRE-00 L-03 TRSE-00 FRB-02 OMB-01 NEAE-00 /119 W

----- 029600

R 191220Z NOV 73

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC IMMEDIATE 7958

LIMITED OFFICIAL USE NEW DELHI 13392

E.O. 11652: N/A

TAGS: EFIN IN

SUBJECT: RUPEE DISCUSSIONS

REF: STATE 227578

1. CONCUR IN PROPOSED CHANGE IN LAST SENTENCE PARA 2(A) OF PART I (CONVERSIONS) AS PROPOSED PARAGRAPH 3 REFTEL WITH AN ADDITION. SECOND PART OF SENTENCE SHOULD READ, "PROVIDED, THAT IF ON ANY CONVERSION DATE SUCH RATE CANNOT BE ASCERTAINED OR MORE THAN ONE SUCH RATE IS IN EFFECT....." PURPOSE OF ADDITION, AS DISCUSSED WITH BROWN HERE, IS TO COVER HIGHLY UNLIKELY EVENTUALITY THAT RBI RATE SYSTEM NO LONGER BEING UTILIZED.

2. WE FIND A SIGNIFICANT DIFFERENCE BETWEEN CONCEPT IN OUR VERSION OF MOV (PARA 9 OF PART II) AND PARA 2B OF REFTEL. OUR VERSION MAINTAINS THE VALUE OF THE RUPEES WE RETAIN, WHILE VERSION IN REFTEL MAINTAINS THE VALUE OF THE RUPEES WITHDRAWN. WE BELIEVE OUR VERSION IS A MORE STRAIGHTFORWARD METHOD OF ACHIEVING INTENT OF MOV, NAMELY TO SAFEGUARD THE VALUE IN DOLLAR TERMS OF A DECLINING PORTION OF OUR HOLDINGS OF RUPEES.

3. WE DO NOT PERCEIVE FORMIDABLE TECHNICAL COMPLEXITIES IN A SINGLE RUPEE DENOMINATED ACCOUNT. LANGUAGE OF OUR PARAGRAPH 9 WHEN READ IN CONJUNCTION WITH ANNEX VIII (POUCHED  
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BORN NOVEMBER 16) MAKES IT CLEAR THAT THE EQUIVALENT OF \$500

MILLION IN OUR RUPEES IS INITIALLY MAINTAINED IN VALUE AND THAT THIS AMOUNT DECLINES BY \$50 MILLION ANNUALLY UNTIL IT IS EXHAUSTED. AMOUNT OF WITHDRAWALS FROM THE ACCOUNT IN ANY ONE YEAR IS IRRELEVANT (I.E., WHETHER SMALLER OR GREATER THAN \$50 MILLION) SINCE THE AMOUNT ON WHICH VALUE IS MAINTAINED DECLINES BY \$50 MILLION A YEAR IN ANY EVENT.

4. LOOKED ON IN THIS LIGHT NO AMBIGUITY WOULD APPEAR TO EXIST IN PARAGRAPH 9 OUR DRAFT. THIS IS THE VERSION WHICH MINISTRY OF FINANCE GREATLY PREFERS AND HAS SENT TO THE PRIME MINISTER'S OFFICE FOR FINAL APPROVAL. UNLESS THERE MAJOR PROBLEMS OF SUBSTANCE WE SHOULD STICK TO PRESENT LANGUAGE.

MOYNIHAN

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGREEMENTS, EXCESS FOREIGN EXCHANGE, RUPEE, FINANCIAL DATA  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 19 NOV 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** collinp0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973NEWDE13392  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
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**Legacy Key:** link1973/newtext/t19731125/aaaaasko.tel  
**Line Count:** 75  
**Locator:** TEXT ON-LINE  
**Office:** ACTION AID  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** STATE 227578  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** collinp0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 19 DEC 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <19-Dec-2001 by shawdg>; APPROVED <06 MAR 2002 by collinp0>  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** RUPEE DISCUSSIONS  
**TAGS:** EFIN, IN, US  
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**Type:** TE  
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